



SMC GLOBAL POWER

SMC GLOBAL POWER HOLDINGS CORP.

(incorporated in the Republic of the Philippines with limited liability)

(the “**Company**”)

TAX RULING IN RESPECT OF ISSUE OF US\$500,000,000 SENIOR PERPETUAL CAPITAL SECURITIES

The Company refers to its announcement dated 5 November 2019 in respect of the issue of US\$500,000,000 senior perpetual capital securities (the “**Securities**”).

An application was made to the Inland Revenue Authority of Singapore (“**IRAS**”) for an advance tax ruling to confirm the classification of the Securities for Singapore income tax purposes and the Singapore tax treatment of the payment of the Distributions. Unless otherwise defined herein, terms used in this announcement and which are defined in the terms and conditions of the Securities (the “**Conditions**”) shall bear the same meanings ascribed to them in the Conditions.

The Company wishes to announce that the abovementioned tax ruling has been obtained from the IRAS. In particular, the IRAS has stated in the tax ruling that based on the features and the Conditions of the Securities, it is prepared to regard the Securities as “debt securities” for the purpose of Section 43N(4) of the Income Tax Act (Chapter 134 of Singapore) (“**ITA**”) and Regulation 2 of the Income Tax (Qualifying Debt Securities) Regulations (“**QDS Regulations**”). Accordingly, the Distributions (including Arrears of Distributions and any Additional Distribution Amounts) due and payable on the Securities will be regarded by the IRAS as interest payable on indebtedness. Subject to satisfying the governing conditions in respect of the qualifying debt securities (“**QDS**”) scheme being met under the QDS Regulations, Section 43N and Section 13(16) of the ITA, the Securities will be regarded by the IRAS as QDS and the holders of the Securities will be entitled to the tax concessions and exemptions available for QDS.

The foregoing tax ruling is without prejudice to the Securities being classified as equity in the accounting books of the Company from an accounting perspective.


PAUL BERNARD D. CAUSON
Chief Finance Officer

09 June 2020